

# **FAS**

FIELD ADVISORY SERVICES

# **FAS TRACK**

*Defense Civilian Personnel Management Service*

## **Index**

<b>Benefits &amp; Entitlements</b>	<b>1</b>
<i>Retirement Changes</i>	
<i>Agency Contribution Rates</i>	
<i>Revised Insurance Forms</i>	
<b>Pay &amp; Hours of Work</b>	<b>2</b>
<i>New Pay Information</i>	
<i>An Important Technicality</i>	
<b>Staffing and Development</b>	<b>3</b>
<i>Staffing and Development Has Been Asked...</i>	
<b>Labor Relations</b>	<b>4</b>
<i>Basic Labor Relations Course (On-site)</i>	
<i>Problematic Contract Language</i>	
<b>Injury &amp; Unemployment Compensation</b>	<b>5</b>
<i>Injury Compensation Claims</i>	
<b>Regionalization and Systems Modernization</b>	<b>6</b>
<i>Modern Defense Civilian Personnel Data System Contract Awarded to Lockheed Martin</i>	

## ***Benefits and Entitlements Branch***

[benefits@cpms.osd.mil](mailto:benefits@cpms.osd.mil)

### **Retirement Changes**

Recent changes in the employer retirement contribution rates were announced in Benefits Administration Letter (BAL) 02-312, dated June 7, 2002. The agency rate for Civil Service Retirement System (CSRS) is currently 8.51 percent. This rate will be reduced to 7.5 percent in October 2002, and further reduced to 7 percent in January 2003. The Federal Employees Retirement System (FERS) agency rate generally remains at 10.7 percent, except for certain special rate categories that will change in October 2002. Generally, employee contribution rates remain at 7 percent for CSRS and 0.80 percent for FERS.

The May 9, 2002, Federal Register, announced changes to the CSRS and FERS present value factors which are used in determining the actuarial reduction of annuities. These present value factors are applicable to:

- redeposits based on refunds of contributions for service before October 1, 1990;

- credit of certain service with nonappropriated fund instrumentalities; and
- retirees who elect an alternative form of annuity.

The new factors apply to annuities that commence on or after October 1, 2002. Please ensure that you use the new factors when preparing retirement estimates for employees.

BAL 02-103, issued May 7, 2002, provides information on how to handle erroneous FERS coverage determinations in effect for less than three years. In this BAL, the Office of Personnel Management provides several tools, such as sample letters, and handouts, to assist human resources offices in processing related corrections.

All referenced BALs and Federal Register documents can be found on the OPM web page at <http://www.opm.gov/>.

## **Revised Insurance Forms**

Recent BALs announced revised forms that must now be used in place of the older editions.

- BAL 02-201, March 21, 2002, announced the FE-6, "Claim for Death Benefits," and
- BAL 02-207, June 5, 2002, announced the SF 2822, "Request for Insurance."

Previous editions cannot be used and must be discarded. The new forms are on the OPM web site at <http://www.opm.gov/forms/index.htm>.

## ***Pay & Hours Of Work Section***

[pay@cpms.osd.mil](mailto:pay@cpms.osd.mil)

### **New Pay Information**

The Office of Personnel Management (OPM) recently posted some frequently asked questions and answers about within-grade increases (<http://www.opm.gov/oca/pay/html/wgiga.htm>); the promotion rules for employees covered by the General Schedule (<http://www.opm.gov/oca/pay/html/promotga.htm>); and those covered by special rates (<http://www.opm.gov/oca/pay/html/promsrqa.htm>).

### **An Important Technicality**

One of the three requirements an employee must meet for grade or pay retention is service under a permanent appointment. Therefore, a key factor in determining an employee's entitlement to grade retention is the nature of the appointment on the position held immediately before being downgraded. An employee must be serving under a permanent appointment to be eligible for grade retention. If an employee with a permanent appointment accepts a temporary or term appointment at the same grade in lieu of reduction-in-force (RIF) separation, the employee is ineligible for grade retention if subsequently reduced to a lower-graded permanent position. For example, a GS-9 employee accepts a GS-9 temporary appointment (instead of separation

through RIF), and is subsequently placed in a GS-7 permanent position through the Priority Placement Program without a break-in-service. The employee is ineligible for grade or pay retention because the employee was serving under a temporary appointment immediately prior to the action.

In contrast, entitlement to grade retention is not affected if an employee accepts a temporary or term appointment, at a lower grade, and subsequently receives a permanent position. Thus, if the same GS-9 employee accepts a GS-8 term appointment and is subsequently converted to a permanent GS-7 position, during the 2 year grade retention period, the employee's entitlement to grade retention continues, providing none of the terminating events at 5 CFR 536.207 occurred.

However, if an employee is on a term or temporary appointment at the end of the two-year period of grade retention, and the rate of pay can be accommodated within the grade level of the temporary or term position, the employee will be placed on the corresponding step for that rate of pay and will lose entitlement to future grade or pay retention. In this example, if the employee started grade retention as a GS-9, step 1, remained in the GS-8 term position, and was a GS-9, step 3, when grade retention terminated, the employee's pay would be set at GS-8, step 7. Because the rate-of-pay could be accommodated within the rate range of the GS-8 position, grade and pay retention entitlement would cease. Under these circumstances, the employee would not be eligible for grade or pay retention

if subsequently converted to a permanent GS-7 position.

## ***Staffing and Development Branch***

[staffing@cpms.osd.mil](mailto:staffing@cpms.osd.mil)

## **Staffing and Development Has Been Asked...**

*A Collection of Questions From the Field*

**Q. Must a student be a US citizen to be hired under the Student Educational Employment Program (SEEP)?**

- A. No. The citizenship restrictions found in 5 CFR 7.4 and 338.101 apply to competitive service positions. However, since 1939, Congress has placed language in the annual appropriations laws to prevent the use of appropriated funds in the continental United States to pay Federal employees unless they are US citizens or meet one of the several exceptions. For several years, DoD has had an exception to the appropriations act ban. As long as DoD continues to have an exception to the appropriations act ban, we are able to hire a non-citizen into one of the Schedule B student programs. Non-citizen students cannot be converted to career-conditional employment in the competitive service unless they are citizens at the time of conversion. Exercise care, you should check with

your financial officer or general counsel's office when considering a student who is a non-citizen for appointment.

## ***Labor Management and Employee Relations Branch***

[labor.relations@cpms.osd.mil](mailto:labor.relations@cpms.osd.mil)

### **Basic Labor Relations Course (On-Site)**

Field Advisory Services will hold its semi-annual Basic Labor Relations Course November 4 - 8, 2002. The course is designed to introduce personnelists to the Federal Service Labor Management Relations Statute, and to provide a working knowledge of bargaining obligations, Unfair Labor Practice (ULP), and grievance processing. The course offers a mock negotiation session, and introduces Interest Based Problem Solving. The class holds up to 24 students. Registration is accomplished on-line on a first-come, first-serve basis at [http://www.cpms.osd.mil/fas/index\\_labor.html](http://www.cpms.osd.mil/fas/index_labor.html).

### **Problematic Contract Language**

As promised in the June 4, 2002, edition of the ***FASTTRACK***, the Labor and Employee Relations Branch will highlight specific examples of problematic contract language that have resulted in the disapproval of collective

bargaining agreements. This is the first installment in a series of such articles.

Unfortunately, it is not unusual for collective bargaining agreements to contain language that binds management to first counsel an employee on sick leave abuse and provide the employee an opportunity to improve such leave usage before imposing any sick leave restriction. ***"When there is a reason to believe that an employee is abusing sick leave, prior to issuing a sick leave restriction letter, the Employer will formally counsel and advise the employee that a medical certification may be required in the future. Only if the employee continues to abuse sick leave may the employer require that employee to furnish a medical certificate."***

The Federal Labor Relations Authority (FLRA) has determined that such language interferes with management's right to discipline employees under Title 5, United States Code (U.S.C.), 7106(a)(2)(A). FLRA indicated in National Association of Government Employees, Local R5-82, and the U.S. Department of the Navy, Navy Exchange, Naval Air Station Jacksonville, Florida, 43 FLRA 25, 26 (1991), "Because the use of leave restriction is, in practical terms, a precondition of any agency's decision to discipline employees for suspected misuse or abuse of sick leave, provisions or proposals that preclude an agency from imposing sick leave restrictions directly interfere with management's right to discipline employees under

section 7106(a)(2)(A) of the Statute [Title 5, U.S.C.].”

Using this rationale, the Labor and Employee Relations Branch has disapproved negotiated agreements containing similar restrictions on management’s right to discipline. As a remedy we have suggested the following revision: "If there is reason to believe an employee is abusing sick leave, the Employer has the right to require that an employee furnish a medical certificate to substantiate absences of any duration. At the supervisor's discretion, the employee may first be counseled that, because of his or her questionable sick leave record, a medical certificate may be required for each subsequent absence on sick leave. The supervisor may also elect to advise the employee in writing that a medical certificate will be required for any absence due to illness regardless of duration.”

## **Injury and Unemployment Compensation (IC/UC)**

### **Injury Compensation Claims**

Electronic submission of CA-1 and CA-2 claims forms through the Electronic Data Interchange (EDI) Program is now available to Department of Defense Injury Compensation Program Administrators (ICPA). EDI is

available only to installations where the ICPA has a DIUCS2000 account and is enrolled in the EDI Program. If you are the installation ICPA but do not have a DIUCS2000 account, you will find the information you need at:  
<http://www.cpms.osd.mil/icuc/icuc.htm> (“Apply for ICUC Password” section). Also ask your information systems office to establish an “alias email address” for you and any other ICPA in your office (e.g., [icpa@installation.component.mil](mailto:icpa@installation.component.mil)). To enroll in EDI, email the following information to [peter.krah@cpms.osd.mil](mailto:peter.krah@cpms.osd.mil).

- Your name(s)
- Your individual email address(es)
- Your phone number(s)
- Your “alias” email address(es)
- Component
- The name & address of the base(s) you service
- Agency Chargeback Code(s)
- DOL CCPO code(s), and
- Agency CPO Code(s) (*this is not the DOL CPO Code.*)

EDI is a valuable tool for managing the claims process. All ICPAs are encouraged to enroll and use this program. For additional information about EDI, you should contact your DoD Injury Compensation Liaison.

## **Regionalization And Systems Modernization**

<http://www.cpms.osd.mil/pmo/homepage.htm>

### **Modern Defense Civilian Personnel Data System Support Contract**

The Regionalization and Systems Modernization Division of CPMS recently awarded a new five-year contract for operation, maintenance, and sustainment of the modern Defense Civilian Personnel Data System (DCPDS) to Lockheed Martin Systems Integration (LMSI). LMSI has supported the modern DCPDS since 1999, and with this contract will continue support through 2007.

As the prime contractor, LMSI will provide systems integration, systems operation and sustainment, program

management, systems maintenance, as well as technology infusion functions. The LMSI team also includes: Lockheed Martin Enterprise Information Systems, Orlando, FL and Denver, CO; ACS Government Services Inc., Rockville, MD; AnviCom Inc., Dunn Loring, VA; Decision Systems Technologies Inc., Dayton, OH; Diversified Technical Services Inc., El Paso, TX; DNovus Research Dynamics Inc., San Antonio, TX; Object Ctalk Inc., King of Prussia, PA; and ThinkSpark L.P., San Antonio, TX.

### **CPMS EMPLOYMENT CORNER**

CPMS job vacancies are posted on the Human Resources Operations Center (HROC) job opportunities web site at <http://www.hroc.dla.mil/joas> and on the OPM jobs bulletin board at <http://www.usajobs.opm.gov>.



**JAMES A. WACHTER**  
Chief, Field Advisory Services  
Defense Civilian Personnel Management Service